

Translation

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Summary of Consolidated Financial Results for the Year Ended January 31, 2024 (Based on Japanese GAAP)

March 15, 2024

Company name: Ascentech K.K.
 Stock exchange listing: Tokyo
 Stock code: 3565 URL <https://www.ascentech.co.jp/>
 Representative: CEO Takashi Matsuura
 Inquiries: CFO Masanobu Sato TEL 03(5296)9331
 Scheduled date of ordinary general meeting of shareholders: April 25, 2024
 Scheduled date to file Securities Report: April 26, 2024
 Scheduled date to commence dividend payments: April 26, 2024
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for institutional investors, analysts and general investors)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended January 31, 2024 (from February 1, 2023 to January 31, 2024)

(1) Consolidated operating results

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended January 31, 2024	6,226	—	607	—	702	—	480	—
Year ended January 31, 2023	—	—	—	—	—	—	—	—

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended January 31, 2024	36.21	—	15.4	15.2	9.8
Year ended January 31, 2023	—	—	—	—	—

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of January 31, 2024	4,621	3,120	67.4	234.63
As of January 31, 2023	—	—	—	—

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended January 31, 2024	855	(84)	(92)	2,236
Year ended January 31, 2023	—	—	—	—

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended January 31, 2023	—	0.00	—	7.00	7.00	92	—	—
Year ended January 31, 2024	—	0.00	—	10.00	10.00	132	27.6	4.3
Year ending January 31, 2025 (Forecast)	—	0.00	—	10.00	10.00		22.9	

3. Forecast of consolidated financial results for the year ending January 31, 2025 (from February 1, 2024 to January 31, 2025)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending July 31, 2024	4,600	—	355	—	460	—	315	—	23.72
Full year	8,000	28.5	745	22.7	850	21.0	580	20.7	43.68

4. Notes

(1) Changes in significant subsidiaries during the year ended January 31, 2024

(changes in specified subsidiaries resulting in the change in scope of consolidation): Yes

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations: No

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of January 31, 2024	13,536,800 shares	As of January 31, 2023	13,536,800 shares
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Number of treasury shares at the end of the period

As of January 31, 2024	260,972 shares	As of January 31, 2023	271,172 shares
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Average number of shares during the period

Year ended January 31, 2024	13,272,055 shares	Year ended January 31, 2023	13,368,571 shares
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Consolidated financial statements

Consolidated balance sheets

(Thousands of yen)

As of January 31, 2024

Assets

Current assets

Cash and deposits	2,236,766
Accounts receivable - trade	788,814
Merchandise	423,233
Work in process	14,757
Advance payments to suppliers	318,868
Other	132,382
Total current assets	3,914,822

Non-current assets

Property, plant and equipment

Buildings	31,386
Accumulated depreciation	(15,240)
Buildings, net	16,145
Tools, furniture and fixtures	217,748
Accumulated depreciation	(172,748)
Tools, furniture and fixtures, net	44,999
Total property, plant and equipment	61,145

Intangible assets

Other	123,634
Total intangible assets	123,634

Investments and other assets

Investment securities	421,648
Deferred tax assets	6,446
Other	103,593
Allowance for doubtful accounts	(9,720)
Total investments and other assets	521,968

Total non-current assets

706,748

Total assets

4,621,571

Liabilities

Current liabilities

Accounts payable - trade	447,012
Income taxes payable	144,157
Contract liabilities	785,725
Other	82,862
Total current liabilities	1,459,756

Non-current liabilities

Deferred tax liabilities	10,190
Other	30,755
Total non-current liabilities	40,945

Total liabilities

1,500,702

	(Thousands of yen)
	As of January 31, 2024
Net assets	
Shareholders' equity	
Share capital	235,653
Capital surplus	246,475
Retained earnings	2,761,294
Treasury shares	(237,547)
Total shareholders' equity	3,005,877
Accumulated other comprehensive income	
Valuation difference on available-for-sale securities	59,837
Deferred gains or losses on hedges	49,302
Total accumulated other comprehensive income	109,140
Share acquisition rights	5,851
Total net assets	3,120,869
Total liabilities and net assets	4,621,571

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Thousands of yen)

	Fiscal year ended January 31, 2024
Net sales	6,226,367
Cost of sales	5,033,964
Gross profit	1,192,403
Selling, general and administrative expenses	585,121
Operating profit	607,282
Non-operating income	
Interest income	4,932
Dividend income	1,981
Foreign exchange gains	81,281
Other	6,799
Total non-operating income	94,994
Non-operating expenses	
Other	23
Total non-operating expenses	23
Ordinary profit	702,253
Extraordinary income	
Gain on sale of investment securities	30,882
Total extraordinary income	30,882
Extraordinary losses	
Loss on valuation of investment securities	37,500
Total extraordinary losses	37,500
Profit before income taxes	695,635
Income taxes - current	225,698
Income taxes - deferred	(10,664)
Total income taxes	215,034
Profit	480,600
Profit attributable to owners of parent	480,600

Consolidated statements of comprehensive income

(Thousands of yen)

	Fiscal year ended January 31, 2024
Profit	480,600
Other comprehensive income	
Valuation difference on available-for-sale securities	35,595
Deferred gains or losses on hedges	52,336
Total other comprehensive income	87,932
Comprehensive income	568,532
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	568,532

Consolidated statements of changes in equity

Fiscal year ended January 31, 2024

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	235,653	250,038	2,373,553	(246,831)	2,612,413
Changes during period					
Dividends of surplus			(92,859)		(92,859)
Profit attributable to owners of parent			480,600		480,600
Disposal of treasury shares		(3,562)		9,284	5,722
Net changes in items other than shareholders' equity					
Total changes during period	–	(3,562)	387,740	9,284	393,463
Balance at end of period	235,653	246,475	2,761,294	(237,547)	3,005,877

	Accumulated other comprehensive income			Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total accumulated other comprehensive income		
Balance at beginning of period	24,242	(3,033)	21,208	5,851	2,639,473
Changes during period					
Dividends of surplus					(92,859)
Profit attributable to owners of parent					480,600
Disposal of treasury shares					5,722
Net changes in items other than shareholders' equity	35,595	52,336	87,932	–	87,932
Total changes during period	35,595	52,336	87,932	–	481,395
Balance at end of period	59,837	49,302	109,140	5,851	3,120,869

Consolidated statements of cash flows

(Thousands of yen)

	Fiscal year ended January 31, 2024
Cash flows from operating activities	
Profit before income taxes	695,635
Depreciation	95,571
Share-based payment expenses	6,357
Loss (gain) on valuation of investment securities	37,500
Interest and dividend income	(6,913)
Foreign exchange losses (gains)	(20,013)
Loss (gain) on sale of investment securities	(30,882)
Decrease (increase) in trade receivables	239,491
Decrease (increase) in inventories	95,811
Decrease (increase) in advance payments to suppliers	(192,216)
Decrease (increase) in accounts receivable - other	(14,220)
Increase (decrease) in trade payables	102,685
Increase (decrease) in advances received	46,920
Increase (decrease) in accrued consumption taxes	27,252
Other, net	(72,270)
Subtotal	1,010,710
Interest and dividends received	4,932
Income taxes paid	(160,175)
Net cash provided by (used in) operating activities	855,467
Cash flows from investing activities	
Purchase of investment securities	(100,000)
Proceeds from sale of investment securities	49,882
Purchase of property, plant and equipment	(28,155)
Purchase of intangible assets	(847)
Purchase of insurance funds	(4,980)
Net cash provided by (used in) investing activities	(84,101)
Cash flows from financing activities	
Dividends paid	(92,664)
Net cash provided by (used in) financing activities	(92,664)
Effect of exchange rate change on cash and cash equivalents	9,545
Net increase (decrease) in cash and cash equivalents	688,247
Cash and cash equivalents at beginning of period	1,548,518
Cash and cash equivalents at end of period	2,236,766